

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC APPLICATION OF GRAYSON	)	
RURAL ELECTRIC COOPERATIVE	)	CASE NO.
CORPORATION FOR PASS-THROUGH OF	)	2021-00110
EAST KENTUCKY POWER COOPERATIVE,	)	
INC. WHOLESALE RATE ADJUSTMENT	)	

ORDER

On April 1, 2021, Grayson Rural Electric Cooperative Corporation (Grayson RECC) filed an application to pass through any wholesale rate adjustment granted to East Kentucky Power Cooperative, Inc. (EKPC) in Case No. 2021-00103<sup>1</sup> pursuant to KRS 278.455(2) and 807 KAR 5:007. On July 30, 2021, Grayson RECC filed a revised schedule of proposed rates for its pass-through of EKPC's wholesale rate adjustment based upon the Stipulation, Settlement Agreement and Recommendation filed in Case No. 2021-00103.

There are no intervenors in this proceeding. By Order entered April 15, 2021, Grayson RECC's proposed rates were suspended up to and including October 5, 2021. Grayson RECC responded to two requests for information from Commission Staff. This matter now stands submitted for a decision.

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<sup>1</sup> Case No. 2021-00103, *Electronic Application of East Kentucky Power Cooperative, Inc. for a General Adjustment of Rates, Approval of Depreciation Study, Amortization of Certain Regulatory Assets, and Other General Relief* (filed Apr. 6, 2021).

## LEGAL STANDARD

The review of Grayson RECC's application is governed by KRS 278.455, which provides that authorized increases and decreases in a generation and transmission (G&T) cooperative's rates may be flowed through to the customers of a distribution cooperative. Specifically, KRS 278.455(2) states, in relevant part, that an authorized increase or decrease in a G&T cooperative's rates:

[M]ay, at the distribution cooperative's discretion, be allocated to each class and within each tariff on a proportional basis that will result in no change in the rate design currently in effect. In the event of an increase in the wholesale rates and tariffs of the wholesale supplier by the Public Service Commission, the rates and tariffs of the distribution cooperative that have been revised on a proportional basis to result in no change in the rate design shall be authorized and shall become effective on the same date as those of the wholesale supplier.

The review of Grayson RECC's application is also governed by Commission regulation 807 KAR 5:007, which establishes the filing and notice requirements for a distribution cooperative when rates change to reflect a change in the rates of its wholesale supplier. Specifically, pursuant to 807 KAR 5:007, Section 1(3) and Section 2(2), Grayson RECC is one of the 16 owner-member cooperatives of EKPC, and in accordance with KRS 278.455, Grayson RECC seeks to pass-through the increase in EKPC's wholesale rates. In accordance with 807 KAR 5:007, Sections 1(4), 2(1), and 2(2), Grayson RECC included with its application proposed tariffs, a comparison of current and proposed rates, and a billing analysis to demonstrate that the rate change does not alter the rate design currently in effect and the revenue change has been allocated to each class and within each tariff on a proportional basis.

## BACKGROUND

Grayson RECC is a not-for-profit, member-owned, rural electric distribution cooperative organized under KRS Chapter 279. Grayson RECC is engaged in the business of distribution retail electric power to 15,349 members in Carter, Elliott, Greenup, Lawrence, Lewis, and Rowan counties, Kentucky<sup>2</sup>. Grayson RECC does not own any electric generating facilities and is one of the 16-member cooperatives that own and receive wholesale power from EKPC. Grayson RECC's last general rate adjustment was effective March 28, 2019, in Case No. 2018-00272.<sup>3</sup>

## PROPOSED PASS-THROUGH RATE ADJUSTMENT

Grayson RECC proposed to pass through EKPC's proposed wholesale rate increase based upon the 2019 billing information for each rate class in Grayson RECC's Commission-approved tariffs. Grayson RECC choose 2019 because it corresponds to the 2019 test period used by EKPC in Case No. 2021-00103.<sup>4</sup> After adjustments for riders, billing adjustments, and other non-base-rate billing items,<sup>5</sup> Grayson RECC allocated EKPC's revenue increase first to each rate class and then to the individual base rate billing components of each class in order to maintain the current rate design in effect.<sup>6</sup>

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<sup>2</sup> *Annual Report of Grayson Rural Electric Cooperative Corporation to the Public Service Commission of the Commonwealth of Kentucky for the Calendar Year Ended December 31, 2020* at 45 and 53.

<sup>3</sup> Case No. 2018-00272, *Application of Grayson Rural Electric Cooperative Corporation for an Adjustment of Rates* (Ky. PSC Mar. 28, 2019).

<sup>4</sup> Application, Exhibit 6, Direct Testimony of John Wolfram (Wolfram Testimony) at 3.

<sup>5</sup> These limited adjustments include a base energy charge adjustment due to a Commission-approved Fuel Adjustment Clause roll-in effective February 1, 2020, and a few large commercial or industrial retail members who either switched rates or received revised contract demand amounts since 2019. Wolfram Testimony at 4.

<sup>6</sup> Wolfram Testimony at 3.

Except for retail members served under a special electric contract, no distinctions were made between retail rate classes taking service under EKPC's different wholesale rate classes. For special electric contracts, the retail rate increases were determined using specific data provided by EKPC and is consistent with the treatment applied to these particular classes in EKPC's last rate case, Case No. 2010-00167.<sup>7</sup> For vacant rate classes, if the per-unit charges were identical to another existing rate class, the per-unit charge applied was equivalent.<sup>8</sup> Otherwise, a vacant rate classes' increase to each per-unit charge was the same percentage as the overall base rate increase for Grayson RECC.<sup>9</sup>

Grayson RECC stated that it considered the recent Commission Order in Case No. 2020-00095<sup>10</sup> (Kenergy Order), where the Commission clarified "proportional" in light of the language contained in KRS 278.455(2).<sup>11</sup> The Commission explained that proportional increases should result in an increase that would avoid undoing any past rate design and avoid distorting the current rate design while maintaining the spirit of the regulation.<sup>12</sup> The Commission stated the revenue generated from each class and each of the class's rate components must continue to contribute in the same proportion to the

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<sup>7</sup> *Id.* at 9. Case No. 2010-00167, *Application of East Kentucky Power Cooperative, Inc. for General Adjustment of Electric Rates* (Ky. PSC Jan. 14, 2011).

<sup>8</sup> Wolfram Testimony at 9.

<sup>9</sup> *Id.*

<sup>10</sup> Case No. 2020-00095, *Electronic Application of Kenergy Corp. for a Declaratory Order* (Ky. PSC Mar. 11, 2021).

<sup>11</sup> *Id.* at 4.

<sup>12</sup> Kenergy Order at 7.

total distribution cooperative revenue.<sup>13</sup> To accomplish this, the Commission explained that each class's revenue contribution percentage should be determined based upon the most recent Commission-approved revenue allocation. The revenue contribution percentage is then applied to the total of the distribution cooperative's portion of the G&T increase.<sup>14</sup>

Grayson RECC stated that the proposed rates were originally calculated based on the allocations from the last rate Order, but asserted that the Kenergy Order method produced self-evidently unreasonable results if the last approved revenue allocation was not consistent with the test year.<sup>15</sup> Grayson RECC argued that due to changes in the customers mix within the rate calculation, specifically for those rates with a three-part rate design, the demand charge could actually decrease leading to the conclusion that it would be unreasonable to pass-through a wholesale increase in such a manner.<sup>16</sup> Thus, the pass-through was allocated consistent with the method approved in the pass-through filings for EKPC's last two rate cases so not to run afoul of the proportionality standard in KRS 278.455(2).<sup>17</sup> Grayson RECC further argued that although the Kenergy Order stated that any revenue distortions could be addressed through subsequent rate filings by a distribution cooperative, near-simultaneous rate cases would be filed due to the possible skewing effect between retail customer classes and such a result would be inconsistent

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<sup>13</sup> *Id.*

<sup>14</sup> *Id.*

<sup>15</sup> Wolfram Testimony at 4–5.

<sup>16</sup> *Id.* at 5 and Grayson RECC's Response to Commission Staff's First Request for Information (Staff's First Request) (filed May 27, 2021), Item 2.

<sup>17</sup> Wolfram Testimony at 5–6.

with the enactment of KRS 278.455, where the intent is to avoid the need for each distribution cooperative to file a rate case.<sup>18</sup>

### DISCUSSION

Based upon the case record and being otherwise sufficiently advised, the Commission finds that, due to the \$36,355,254 annualized increase in EKPC's wholesale rates for service rendered on and after October 1, 2021, that was approved by the Commission in Case No. 2021-00103, Grayson RECC's request for approval of a pass-through rate increase pursuant to KRS 278.455(2) should be approved.

The Commission further finds that, based on sufficient evidence in the case records, Grayson RECC met its burden of proof, in accordance with KRS 278.455(2), that the rate change does not alter the rate design currently in effect and that the revenue change has been allocated to each class and with each tariff on a proportional basis. This finding is based upon the Commission's review of the approach proposed by Grayson RECC to pass-through the increase of EKPC's wholesale rates and the allocation of such increase to its retail rates. The Commission recognizes the concern over using the last approved revenue allocation, especially given the anomalous results that are especially present in those distribution cooperatives that have not filed for a general rate increase for a substantial time.<sup>19</sup> In the Kenergy Order, the Commission expressed its concern that rate increases, particularly revenue neutral increases, may result in a change of

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<sup>18</sup> *Id.* at 8.

<sup>19</sup> For example, the last general rate increase for Salt River Electric Cooperative (Salt River Electric) was September 28, 1993; hence, the necessary information needed to obtain the appropriate revenue allocation was not readily available. See Case No. 2021-00116, *Electronic Application of Salt River Electric Cooperative Corporation for Pass-Through of East Kentucky Power Cooperative, Inc. Wholesale Rate Adjustment*, Salt River Electric's Response to Commission Staff's First Request for Information (filed May 25, 2021), Items 3 and 4.

revenue allocation due to the change in rate design. For example, if a distribution cooperative proposes a revenue neutral rate design based upon a test year that differs from a Commission-approved test year, the class revenue allocation may differ, thus altering the approved allocation and rate design. Based upon this review, the Commission finds that Grayson RECC's approach complies with the provisions of KRS 278.455(2) and 807 KAR 5:007, Section 2(2), and, therefore, should be accepted. However, any revenue neutral case filed as a general rate case or under the Commission-approved streamlined process in Case No. 2018-00407<sup>20</sup> will apply the methodology outlined in the Kenergy Order.

In reviewing Grayson RECC's proposed revenue increase allocation under the settlement, the Commission notes that the proposed increase, \$857,281, differs from the \$860,038 increase allocated to Grayson RECC by EKPC.<sup>21</sup> Grayson RECC maintained that EKPC calculated member system rates on a wholesale rate class basis, and not by member system, while Grayson RECC's pass-through exhibit was prepared individually.<sup>22</sup> Grayson RECC further maintained that the difference was due to rounding and calculation of the fuel adjustment charge and environmental surcharge, and was negligible.<sup>23</sup> In its response, Grayson RECC did not provide adequate support to explain why the proposed increase for the member system differed from EKPC's calculation. While rounding errors may occur in rate design, the Commission expects Grayson RECC

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<sup>20</sup> Case No. 2018-00407, *A Review of the Rate Case Procedure for Electric Distribution Cooperatives* (Ky. PSC Dec. 20. 2019).

<sup>21</sup> Grayson RECC's Response to Commission Staff's Third Request for Information (filed Sept. 17, 2021), Item 1.

<sup>22</sup> *Id.*

<sup>23</sup> *Id.*

to explain and support why inputs differ between the wholesale provider and the member system.<sup>24</sup>

Based upon the Commission's authorization of a \$36,355,254 annualized increase in EKPC's wholesale rates effective for service rendered on and after October 1, 2021, Grayson RECC's wholesale power cost will increase by \$812,813, or 4.6 percent, annually.<sup>25</sup> Furthermore, based upon Grayson RECC's proposed pass-through analysis as filed on July 30, 2021, the Commission will maintain the dollar denominated differences between the estimated wholesale increase and member system increase in the determination of the rates.

IT IS THEREFORE ORDERED that:

1. The rates and charges proposed by Grayson RECC are denied.
2. The approach proposed by Grayson RECC to allocate its portion of the increase in wholesale rates authorized in Case No. 2021-00103 is accepted.
3. The rates and charges in Appendix B, attached hereto, are fair, just and reasonable for Grayson RECC to charge for service rendered on and after October 1, 2021.

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<sup>24</sup> For example, there is a billing determinant difference between the special contract rate for Owen Electric Cooperative, Inc. (Owen Electric) and EKPC which results in differing revenues. See Case No. 2021-00115, *Electronic Application of Owen Electric Cooperative, Inc. for Pass-Through of East Kentucky Power Cooperative, Inc.'s Wholesale Rate Adjustment*, Owen Electric's Notice of Filing (filed July 30, 2021), Owen Electric filed Revised Exhibits of the proposed rates for the a pass-through of EKPC's wholesale rate adjustment, Staff 1-5-Owen-Settle-v2.xlsx and Case No. 2021-00103, *EKPC*, EKPC's Response to Commission Staff's Post-Hearing Requests for Information (filed Aug. 18, 2021), Item 10.

<sup>25</sup> See Appendix A.

4. Within 20 days of the date of this Order, Grayson RECC shall file with the Commission, using the Commission's electronic Tariff Filing System, its revised tariffs as set forth in this Order reflecting that they were approved pursuant to this Order.

5. This case is closed and removed from this Commission's docket.

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By the Commission



ATTEST:

  
Executive Director

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE  
COMMISSION IN CASE NO. 2021-00110 DATED SEP 30 2021

<b>Rate B</b>				
<b>EKPC Member</b>	<b>Present</b>	<b>Final</b>	<b>Change</b>	<b>As Percent</b>
Big Sandy	\$ 341,987	\$ 350,744	\$ 8,757	2.6%
Blue Grass	\$ 10,757,845	\$ 11,035,263	\$ 277,418	2.6%
Clark	\$ -	\$ -	\$ -	
Cumberland Valley	\$ -	\$ -	\$ -	
Farmers	\$ -	\$ -	\$ -	
Fleming-Mason	\$ -	\$ -	\$ -	
Grayson	\$ 1,733,635	\$ 1,778,438	\$ 44,803	2.6%
Inter-County	\$ 3,853,087	\$ 3,952,115	\$ 99,029	2.6%
Jackson	\$ 3,261,843	\$ 3,345,035	\$ 83,192	2.6%
Licking Valley	\$ -	\$ -	\$ -	
Nolin	\$ 1,546,266	\$ 1,587,786	\$ 41,520	2.7%
Owen	\$ 15,691,907	\$ 16,113,009	\$ 421,101	2.7%
Salt River	\$ 7,849,642	\$ 8,048,401	\$ 198,759	2.5%
Shelby	\$ 9,959,655	\$ 10,210,443	\$ 250,788	2.5%
South Ky	\$ 3,987,957	\$ 4,089,565	\$ 101,608	2.5%
Taylor	\$ 831,893	\$ 853,592	\$ 21,699	2.6%
<b>Total</b>	<b>\$ 59,815,719</b>	<b>\$ 61,364,392</b>	<b>\$ 1,548,673</b>	<b>2.6%</b>

<b>Rate C</b>				
<b>EKPC Member</b>	<b>Present</b>	<b>Final</b>	<b>Change</b>	<b>As Percent</b>
Big Sandy	\$ -	\$ -	\$ -	
Blue Grass	\$ -	\$ -	\$ -	
Clark	\$ -	\$ -	\$ -	
Cumberland Valley	\$ -	\$ -	\$ -	
Farmers	\$ 2,875,951	\$ 2,951,756	\$ 75,804	2.6%
Fleming-Mason	\$ 7,135,643	\$ 7,323,237	\$ 187,594	2.6%
Grayson	\$ -	\$ -	\$ -	
Inter-County	\$ -	\$ -	\$ -	
Jackson	\$ 1,001,698	\$ 1,027,537	\$ 25,839	2.6%
Licking Valley	\$ -	\$ -	\$ -	
Nolin	\$ -	\$ -	\$ -	
Owen	\$ -	\$ -	\$ -	
Salt River	\$ -	\$ -	\$ -	
Shelby	\$ -	\$ -	\$ -	
South Ky	\$ 5,690,287	\$ 5,841,773	\$ 151,486	2.7%
Taylor	\$ 449,732	\$ 461,248	\$ 11,516	2.6%
	<b>\$ 17,153,311</b>	<b>\$ 17,605,550</b>	<b>\$ 452,238</b>	<b>2.6%</b>

<b>Rate E</b>				
<b>EKPC Member</b>	<b>Present</b>	<b>Final</b>	<b>Change</b>	<b>As Percent</b>
Big Sandy	\$ 15,194,682	\$ 15,929,940	\$ 735,258	4.8%
Blue Grass	\$ 75,472,253	\$ 79,160,079	\$ 3,687,826	4.9%
Clark	\$ 31,113,089	\$ 32,623,992	\$ 1,510,903	4.9%
Cumberland Valley	\$ 29,974,144	\$ 31,421,531	\$ 1,447,387	4.8%
Farmers	\$ 31,649,009	\$ 33,198,129	\$ 1,549,120	4.9%
Fleming-Mason	\$ 30,724,488	\$ 32,207,720	\$ 1,483,231	4.8%
Grayson	\$ 15,892,923	\$ 16,660,933	\$ 768,010	4.8%
Inter-County	\$ 29,674,742	\$ 31,124,764	\$ 1,450,022	4.9%
Jackson	\$ 58,279,094	\$ 61,105,989	\$ 2,826,895	4.9%
Licking Valley	\$ 17,298,143	\$ 18,132,437	\$ 834,294	4.8%
Nolin	\$ 43,686,325	\$ 45,822,867	\$ 2,136,542	4.9%
Owen	\$ 74,903,441	\$ 78,540,230	\$ 3,636,790	4.9%
Salt River	\$ 75,530,233	\$ 79,217,543	\$ 3,687,310	4.9%
Shelby	\$ 23,218,841	\$ 24,344,807	\$ 1,125,966	4.8%
South Ky	\$ 79,696,530	\$ 83,594,165	\$ 3,897,636	4.9%
Taylor	\$ 31,773,345	\$ 33,322,474	\$ 1,549,129	4.9%
	\$ 664,081,280	\$ 696,407,599	\$ 32,326,319	4.9%

<b>Rate G</b>				
<b>EKPC Member</b>	<b>Present</b>	<b>Final</b>	<b>Change</b>	<b>As Percent</b>
Big Sandy	\$ -	\$ -	\$ -	
Blue Grass	\$ 5,730,294	\$ 5,874,687	\$ 144,393	2.5%
Clark	\$ -	\$ -	\$ -	
Cumberland Valley	\$ -	\$ -	\$ -	
Farmers	\$ -	\$ -	\$ -	
Fleming-Mason	\$ 13,625,132	\$ 13,976,173	\$ 351,041	2.6%
Grayson	\$ -	\$ -	\$ -	
Inter-County	\$ -	\$ -	\$ -	
Jackson	\$ -	\$ -	\$ -	
Licking Valley	\$ -	\$ -	\$ -	
Nolin	\$ 6,160,848	\$ 6,328,734	\$ 167,886	2.7%
Owen	\$ -	\$ -	\$ -	
Salt River	\$ -	\$ -	\$ -	
Shelby	\$ -	\$ -	\$ -	
South Ky	\$ -	\$ -	\$ -	
Taylor	\$ -	\$ -	\$ -	
	\$ 25,516,274	\$ 26,179,595	\$ 663,320	2.6%

<b>Contract</b>				
<b>EKPC Member</b>	<b>Present</b>	<b>Final</b>	<b>Change</b>	<b>As Percent</b>
Big Sandy	\$ -	\$ -	\$ -	
Blue Grass	\$ -	\$ -	\$ -	
Clark	\$ -	\$ -	\$ -	
Cumberland Valley	\$ -	\$ -	\$ -	
Farmers	\$ -	\$ -	\$ -	
Fleming-Mason	\$ -	\$ -	\$ -	
Grayson	\$ -	\$ -	\$ -	
Inter-County	\$ -	\$ -	\$ -	
Jackson	\$ -	\$ -	\$ -	
Licking Valley	\$ -	\$ -	\$ -	
Nolin	\$ -	\$ -	\$ -	
Owen	\$ 41,786,791	\$ 42,872,821	\$ 1,086,030	2.6%
Salt River	\$ -	\$ -	\$ -	
Shelby	\$ -	\$ -	\$ -	
South Ky	\$ -	\$ -	\$ -	
Taylor	\$ -	\$ -	\$ -	
	<b>\$ 41,786,791</b>	<b>\$ 42,872,821</b>	<b>\$ 1,086,030</b>	<b>2.6%</b>

<b>Steam</b>				
<b>EKPC Member</b>	<b>Present</b>	<b>Final</b>	<b>Change</b>	<b>As Percent</b>
Big Sandy	\$ -	\$ -	\$ -	
Blue Grass	\$ -	\$ -	\$ -	
Clark	\$ -	\$ -	\$ -	
Cumberland Valley	\$ -	\$ -	\$ -	
Farmers	\$ -	\$ -	\$ -	
Fleming-Mason	\$ 10,716,264	\$ 10,994,937	\$ 278,674	2.6%
Grayson	\$ -	\$ -	\$ -	
Inter-County	\$ -	\$ -	\$ -	
Jackson	\$ -	\$ -	\$ -	
Licking Valley	\$ -	\$ -	\$ -	
Nolin	\$ -	\$ -	\$ -	
Owen	\$ -	\$ -	\$ -	
Salt River	\$ -	\$ -	\$ -	
Shelby	\$ -	\$ -	\$ -	
South Ky	\$ -	\$ -	\$ -	
Taylor	\$ -	\$ -	\$ -	
	<b>\$ 10,716,264</b>	<b>\$ 10,994,937</b>	<b>\$ 278,674</b>	<b>2.6%</b>

Rate TGP				
EKPC Member	Present	Final	Change	As Percent
Big Sandy	\$ -	\$ -	\$ -	
Blue Grass	\$ -	\$ -	\$ -	
Clark	\$ -	\$ -	\$ -	
Cumberland Valley	\$ -	\$ -	\$ -	
Farmers	\$ -	\$ -	\$ -	
Fleming-Mason	\$ 3,422,394	\$ 3,422,394	\$ -	0.0%
Grayson	\$ -	\$ -	\$ -	
Inter-County	\$ -	\$ -	\$ -	
Jackson	\$ -	\$ -	\$ -	
Licking Valley	\$ -	\$ -	\$ -	
Nolin	\$ -	\$ -	\$ -	
Owen	\$ -	\$ -	\$ -	
Salt River	\$ -	\$ -	\$ -	
Shelby	\$ -	\$ -	\$ -	
South Ky	\$ -	\$ -	\$ -	
Taylor	\$ 2,927,454	\$ 2,927,454	\$ -	0.0%
	\$ 6,349,849	\$ 6,349,849	\$ -	0.0%

Total				
EKPC Member	Present	Final	Change	As Percent
Big Sandy	\$ 15,536,669	\$ 16,280,684	\$ 744,015	4.8%
Blue Grass	\$ 91,960,392	\$ 96,070,029	\$ 4,109,637	4.5%
Clark	\$ 31,113,089	\$ 32,623,992	\$ 1,510,903	4.9%
Cumberland Valley	\$ 29,974,144	\$ 31,421,531	\$ 1,447,387	4.8%
Farmers	\$ 34,524,960	\$ 36,149,884	\$ 1,624,924	4.7%
Fleming-Mason	\$ 65,623,921	\$ 67,924,461	\$ 2,300,540	3.5%
Grayson	\$ 17,626,559	\$ 18,439,371	\$ 812,813	4.6%
Inter-County	\$ 33,527,829	\$ 35,076,879	\$ 1,549,051	4.6%
Jackson	\$ 62,542,635	\$ 65,478,561	\$ 2,935,926	4.7%
Licking Valley	\$ 17,298,143	\$ 18,132,437	\$ 834,294	4.8%
Nolin	\$ 51,393,440	\$ 53,739,387	\$ 2,345,948	4.6%
Owen	\$ 132,382,139	\$ 137,526,060	\$ 5,143,921	3.9%
Salt River	\$ 83,379,874	\$ 87,265,943	\$ 3,886,069	4.7%
Shelby	\$ 33,178,496	\$ 34,555,250	\$ 1,376,754	4.1%
South Ky	\$ 89,374,774	\$ 93,525,503	\$ 4,150,730	4.6%
Taylor	\$ 35,982,424	\$ 37,564,768	\$ 1,582,344	4.4%
	\$ 825,419,487	\$ 861,774,741	\$ 36,355,254	4.4%

APPENDIX B

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE  
COMMISSION IN CASE NO. 2021-00110 DATED SEP 30 2021

The following rates and charges are prescribed for the customers in the area served by Grayson Rural Electric Cooperative Corporation. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of this Commission prior to the effective date of this Order.

SCHEDULE 1  
DOMESTIC – FARM & HOME SERVICE

Customer Charge	\$ 21.84
Energy Charge per kWh	\$ 0.10933

SCHEDULE 2  
COMMERCIAL AND SMALL POWER LESS THAN 50 KVA

Customer Charge	\$ 30.83
Energy Charge per kWh	\$ 0.10933

SCHEDULE 4  
LARGE POWER SERVICE (50-99 KVA)

Customer Charge	\$ 69.36
Demand Charge per kW	\$ 8.78
Energy Charge per kWh	\$ 0.06016

SCHEDULE 6  
OUTDOOR LIGHTING SERVICE

Lighting	
7,000 Lumens	\$ 12.72
10,000 Lumens	\$ 15.29
Flood Lighting	\$ 21.92
LED Lighting	
3,600 LED Yard Light	\$ 12.72
19,176 LED Flood Light	\$ 26.59
Street Lighting	
7,000 Lumens	\$ 12.72

SCHEDULE 7  
ALL ELECTRIC SCHOOLS

Customer Charge	\$ 38.53
Demand Charge per kW	\$ 6.78
Energy Charge per kWh	\$ 0.07585

SCHEDULE 10  
RESIDENTIAL TIME OF DAY

Customer Charge	\$ 21.84
On-Peak Energy charge per kWh	\$ 0.20589
Off-Peak Energy Charge per kWh	\$ 0.06510

SCHEDULE 11  
SMALL COMMERCIAL TIME OF DAY

Customer Charge	\$ 28.26
On-Peak Energy charge per kWh	\$ 0.20123
Off-Peak Energy Charge per kWh	\$ 0.05968

SCHEDULE 12(a)  
LARGE INDUSTRIAL SERVICE – LLF (1,000 to 4,999 KVA)

Customer Charge	\$ 581.73
Demand Charge per kW	\$ 10.79
Energy Charge per kWh	\$ 0.04609

SCHEDULE 12(b)  
LARGE INDUSTRIAL SERVICE – LLF (5,000 to 9,999 KVA)

Customer Charge	\$1,162.40
Demand Charge per kW	\$ 10.79
Energy Charge per kWh	\$ 0.04366

SCHEDULE 12(c)  
LARGE INDUSTRIAL SERVICE – LLF (>10,000 KVA)

Customer Charge	\$1,162.40
Demand Charge per kW	\$ 10.79
Energy Charge per kWh	\$ 0.04265

SCHEDULE 13(a)  
LARGE INDUSTRIAL SERVICE – HLF (1,000 to 4,999 KVA)

Customer Charge	\$ 581.73
Demand Charge per kW	\$ 7.43
Energy Charge per kWh	\$ 0.04609

SCHEDULE 13(b)  
LARGE INDUSTRIAL SERVICE – HLF (5,000 to 9,999 KVA)

Customer Charge	\$1,162.40
Demand Charge per kW	\$ 10.79
Energy Charge per kWh	\$ 0.04366

SCHEDULE 13(c)  
LARGE INDUSTRIAL SERVICE – HLF (>10,000 KVA)

Customer Charge	\$1,162.40
Demand Charge per kW	\$ 10.79
Energy Charge per kWh	\$ 0.04265

SCHEDULE 14(a)  
LARGE INDUSTRIAL SERVICE – MLF (1,000 to 4,999 KVA)

Customer Charge	\$ 581.73
Demand Charge per kW of Contract Demand	\$ 7.43
Demand Charge per kW of In Excess of Contract Demand	\$ 10.79
Energy Charge per kWh	\$ 0.04608

SCHEDULE 14(b)  
LARGE INDUSTRIAL SERVICE – MLF (5,000 to 9,999 KVA)

Customer Charge	\$1,167.73
Demand Charge per kW of Contract Demand	\$ 7.43
Demand Charge per kW of In Excess of Contract Demand	\$ 10.79
Energy Charge per kWh	\$ 0.04366

SCHEDULE 14(c)  
LARGE INDUSTRIAL SERVICE – MLF (>10,000 KVA)

Customer Charge	\$1,167.73
Demand Charge per kW of Contract Demand	\$ 7.43
Demand Charge per kW of In Excess of Contract Demand	\$ 10.79
Energy Charge per kWh	\$ 0.04265

SCHEDULE 15  
RESIDENTIAL DEMAND AND ENERGY RATE

Customer Charge	\$ 20.55
Demand Charge per kW	\$ 4.74
Energy Charge per kWh	\$ 0.06559

SCHEDULE 16  
SMALL COMMERCIAL DEMAND AND ENERGY RATE

Customer Charge	\$ 30.83
Demand Charge per kW	\$ 6.78
Energy Charge per kWh	\$ 0.06404

SCHEDULE 17  
WATER PUMPING SERVICE

Customer Charge Per Month – Includes No kWh Usage	\$ 46.24
On-Peak Energy – per kWh per Month	\$ 0.14203
Off-Peak Energy – per kWh per Month	\$ 0.07024

SCHEDULE 18  
GENERAL SERVICE RATE

Customer Charge	\$ 28.26
Energy Charge per kWh	\$ 0.14319

SCHEDULE 19  
TEMPORARY SERVICE RATE

Customer Charge	\$ 56.52
Energy Charge per kWh	\$ 0.10484

SCHEDULE 20  
RESIDENTIAL INCLINING BLOCK RATE

Customer Charge	\$ 21.84
First 300 kWh	\$ 0.08051
Next 200 kWh	\$ 0.10106
All Over 500 kWh	\$ 0.19762

\*L Allyson Honaker  
Goss Samford, PLLC  
2365 Harrodsburg Road, Suite B325  
Lexington, KENTUCKY 40504

\*David S Samford  
Goss Samford, PLLC  
2365 Harrodsburg Road, Suite B325  
Lexington, KENTUCKY 40504

\*Grayson R.E.C.C.  
109 Bagby Park  
Grayson, KY 41143